

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 6, 2011
POSITION: Oppose
SPONSOR: Los Angeles Unified School District

BILL NUMBER: SB 268
AUTHOR: R. Wright

BILL SUMMARY: School Attendance: Interdistrict Attendance

This bill would require a County Board of Education to conduct a review hearing of a denied interdistrict transfer request appealed by a parent of guardian. Further this bill would limit the information a County Board of Education can review in deciding the appeal request to whether: (1) the district acted in accordance with an interdistrict transfer agreement; (2) the district followed the district's interdistrict transfer policy; (3) the district provided the parents or guardian an opportunity to provide relevant transfer request information related to their interdistrict transfer request; and (4) additional relevant information was not considered by the district.

FISCAL SUMMARY

This bill could create a reimbursable state mandate with Proposition 98 General Fund costs in the low millions of dollars for County Boards of Education to conduct an appeal hearing based on a higher level of review. These Proposition 98 costs are based on an estimated 700 appeal cases (Los Angeles County Office of Education had 314 appeal cases in 2010 itself) statewide annually at a cost of \$5,000 per appeal hearing or approximately \$3.5 million annually.

COMMENTS

The Department of Finance opposes this bill for the following reasons:

- This bill could create a reimbursable state mandate with Proposition 98 General Fund costs in the low millions of dollars for County Boards of Education to conduct an appeal hearing based on a higher level of required review. These costs would divert scarce school district resources from core school district functions such as providing classroom instruction.
- While the intent of this bill is to create a consistent standard by which all County Boards of Education review appealed interdistrict transfer requests, this bill might actually reduce the local discretion County Boards of Education would have to review documents and any other relevant information related to the review of an appealed transfer request.

Although current law guarantees a free public education to every K-12 student residing in the attendance area of each local school district, students are not guaranteed a choice over which school they attend. To help facilitate parental choice, California has in place three primary open enrollment mechanisms. The first, Intradistrict Transfer, requires school districts to honor parental preference in choosing a school for their child, irrespective of their residence within the district. Schools must accept students to the extent that their capacity permits them to do so. Districts are also encouraged to give preference to siblings who wish to attend the same school, as well as consideration of the parent's place of employment. This open enrollment program is a voluntary program provided at a school districts discretion based on available capacity within a school district. Intradistrict transfer requests are not appealable to the County Board of Education.

Analyst/Principal (0341) T. Todd	Date	Program Budget Manager Nick Schweizer	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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The second mechanism, Interdistrict Transfer, allows districts to voluntarily accept additional students from outside their district. This is facilitated in some cases through reciprocity agreements, where each additional student accepted must be approved by both the transferring and receiving district. These reciprocity agreements have a duration of up to five years, but may be terminated by either district at any time. Districts may also accept students from outside their district by declaring themselves to be a District of Choice. Under the current provisions of the District of Choice program, districts of residence from which students are transferring, may limit total transfers to one percent of their current year estimated average daily attendance if they serve more than 50,000 Average Daily Attendance (ADA), and three percent if they serve less than 50,000 ADA. Additionally, districts of choice must maintain an accounting of all transfer requests granted, denied or withdrawn, as well as the number of students transferring into and out of the district. If a reciprocal agreement or District of Choice interdistrict transfer request is denied a pupil's parents or guardian may file an appeal to the County Board of Education in the students district of residence within 30 days of receiving a denial notice. Current law permits a County Board of Education to conduct a hearing and is permissive in that the County Board of Education has the discretion to consider any information it deems pertinent to an appeal.

The third mechanism, Open Enrollment, enabled by the Open Enrollment Act, Chapter 3 of the 5th Extraordinary Session of 2010 (X5 SB 4), provides parents of students attending a school identified on the State Department of Education's 1,000 "Open Enrollment Schools" list the right to enroll in higher-performing schools. Students enrolled in one of the 1,000 schools have the option to enroll in a different school within the same district or any other district provided it has a higher API than the student's school of residence. In creating the list of Open Enrollment Schools, the Superintendent of Public Instruction (SPI) annually creates a list of 1,000 schools ranked by increasing Academic Performance Index (API) with the same ratio of elementary, middle and high schools as existed in the lowest 10 percent of schools in the 2008-09 school year. In constructing the list, the SPI must also ensure a local educational agency does not have more than ten percent of its schools on the list and must ensure court, community, community day schools and charter schools are not included on the list. Transfer requests pursuant to the Open Enrollment Act are not appealable to the County Board of Education.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2010-2011	FC	2011-2012	FC	2012-2013	Code
6110/Dept of Educ	LA	Yes	-----	See Fiscal Summary				-----	0001